BURLINGTON
114A
114-A
Burlington Route

Annual Report

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY

BOARDS

1953

mRb
652.0973
C4322r

Burlington Route

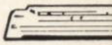
FOREWORD

TO OUR PATRONS —

The Board of Directors, officers and employes wish to express sincere appreciation to the thousands of shippers and travelers who used our railroad during the year. Fulfilling the responsibility of providing efficient, safe and dependable transportation is our daily concern. Our reward has been the continued support of our friends who ship and travel via Burlington.

TO OUR EMPLOYES —

The success achieved could not have been possible without the efficient and loyal performance of our competent employes and officers, to whom the Board of Directors expresses appreciation.



Cover Picture—
Heavy-duty diesel power moves freight around Horseshoe Curve in rugged hill country of Northwest Nebraska.

One Hundredth

ANNUAL REPORT

of the

BOARD OF DIRECTORS

of the

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY

For the year ended
December 31, 1953

Burlington
Route

Chicago, Burlington & Quincy Railroad Company

DIRECTORS

Term Expires 1954

EDWARD FLYNN . . . . . Chicago, Ill.
Retired Executive Vice President, Chicago, Burlington & Quincy Railroad Company
ELLSWORTH MOSER . . . . . Omaha, Nebr.
President, U. S. National Bank of Omaha
R. DOUGLAS STUART . . . . . Chicago, Ill.
Director, The Quaker Oats Company

Term Expires 1955

GEORGE M. FOSTER . . . . . Ottumwa, Ia.
Chairman of the Board, John Morrell & Company
J. C. JAMES . . . . . Chicago, Ill.
Retired Executive Vice President and General Counsel,
Chicago, Burlington & Quincy Railroad Company
H. C. MURPHY . . . . . Chicago, Ill.
President, Chicago, Burlington & Quincy Railroad Company

Term Expires 1956

RALPH BUDD . . . . . Chicago, Ill
Retired President, Chicago, Burlington & Quincy Railroad Company
JOHN M. BUDD . . . . . St. Paul, Minn.
President, Great Northern Railway Company
ROBERT S. MACFARLANE . . . . . St. Paul, Minn.
President, Northern Pacific Railway Company

EXECUTIVE COMMITTEE

H. C. MURPHY . . . *Chairman*
JOHN M. BUDD
GEORGE M. FOSTER
ROBERT S. MACFARLANE
EDWARD FLYNN
J. C. JAMES
R. DOUGLAS STUART

OFFICERS

H. C. MURPHY, *President* . . . . . Chicago
F. L. KARTHEISER, *Vice President-Executive Department* . . . . . Chicago
L. R. CAPRON, *Vice President, Traffic Department* . . . . . Chicago
S. L. FEE, *Vice President, Operating Department* . . . . . Chicago
A. W. LAVIDGE, *Vice President and Comptroller* . . . . . Chicago
ELDON MARTIN, *General Counsel* . . . . . Chicago
HOLLY STOVER, *Executive Assistant* . . . . . Washington, D. C.
F. E. SPERRY, *Assistant Vice President, Operating Department* . . . . . Chicago
H. H. URBACH, *Assistant Vice President-Mechanical* . . . . . Chicago
J. E. WOLFE, *Assistant Vice President-Labor Relations* . . . . . Chicago
R. W. COGLAN, *Treasurer, Assistant Secretary, and Transfer Agent* . . . . . Chicago
EDITH J. ALDEN, *Secretary, Assistant Treasurer and Transfer Agent* . . . . . Chicago
A. D. McLANE, *Assistant Secretary* . . . . . Chicago
J. F. McALPINE, *Director of Purchases and Stores* . . . . . Chicago
WALTER McFARLAND, *Assistant General Counsel* . . . . . Chicago
J. L. RICE, *General Solicitor* . . . . . Chicago
R. C. SMITH, *General Auditor* . . . . . Chicago
H. A. AALBERG, *Chief Engineer* . . . . . Chicago
N. STOCKHAMMER
R. M. O'KELLY } *Fiscal Agents* . . . . . 2 Wall Street, New York
E. V. FINK
HELEN A. STORCH } *Transfer Agents* . . . . . 2 Wall Street, New York
STATE STREET TRUST COMPANY, *Fiscal Agent and Transfer Agent*,
State and Congress Streets, Boston

The above were Directors and Officers as of December 31, 1953.

HIGHLIGHTS OF OPERATIONS

	1953	1952	Increase (I) or Decrease (D)
Operating Revenues (Page 25)	$278,413,812	$270,347,780	$ 8,066,032 (I)
Operating Expenses (Page 25)	$203,124,368	$193,435,960	$ 9,688,408 (I)
Operating Ratio (Page 25)	72.96%	71.55%	1.41% (I)
Available for Fixed Charges	$ 31,947,788	$ 33,774,752	$ 1,826,964 (D)
Fixed Charges (Page 25)	$ 6,286,282	$ 5,774,160	$ 512,122 (I)
Times Fixed Charges Earned	5.08	5.85	.77 (D)
Total Taxes (Page 25)	$ 39,557,462	$ 39,690,137	$ 132,675 (D)
Net Income	$ 25,661,506	$ 28,000,592	$ 2,339,086 (D)
Dividends Paid	$ 12,812,902	$ 12,812,902	
Averages per Share of Stock:			
Taxes	$ 23.15	$ 23.23	$ .08 (D)
Net Income	$ 15.02	$ 16.39	$ 1.37 (D)
Dividends Paid	$ 7.50	$ 7.50	
Net Investment	$696,112,519	$672,504,538	$23,607,981 (I)
Rate of Return on Net Investment	4.29%	4.72%	.43% (D)
Average Number of Employes	31,088	30,152	936 (I)
Total Wages	$131,578,544	$127,436,108	$ 4,142,436 (I)
Revenue Ton Miles	16,825,003,317	17,096,963,216	271,959,899 (D)
Revenue Passenger Miles	902,035,893	883,204,861	18,831,032 (I)
Miles of Road Operated—end of year	8,866.52	8,866.59	.07 (D)
Total Outstanding Funded Debt including Equipment Obligations (Page 32)	$215,995,447	$197,807,109	$18,188,338 (I)

9
MAY 28 1954 AS

REPORT

for the Year Ended December 31, 1953

The year 1953 as a whole showed a substantial increase in gross revenues. This upward trend was strong in the first six months of the year, so that by the end of June, the increase over the same period in 1952 was 9.71 per cent. However, in the last six months, particularly in the final quarter, the trend was downward, the result of a general readjustment in the national economy which undoubtedly was intensified by the cessation of fighting in Korea and the subsequent slackening of defense production and shipments.

Despite this development, gross revenues for the year were $278,413,812, compared with $270,347,780 for 1952, an increase of 2.98 per cent.

Operating expenses for the year were $203,124,368 compared with $193,435,960 for 1952, an increase of 5.01 per cent, a large part of which was for maintenance incurred in connection with improvements to the line.

Net income of $25,661,506 was $2,339,086 or 8.35 per cent less than the net income in 1952. The net income for 1952, however, included a refund of prior years' Federal income taxes and net interest thereon of $2,516,362.

Operating ratio in 1953 was 72.96 per cent; in 1952 it was 71.55 per cent.

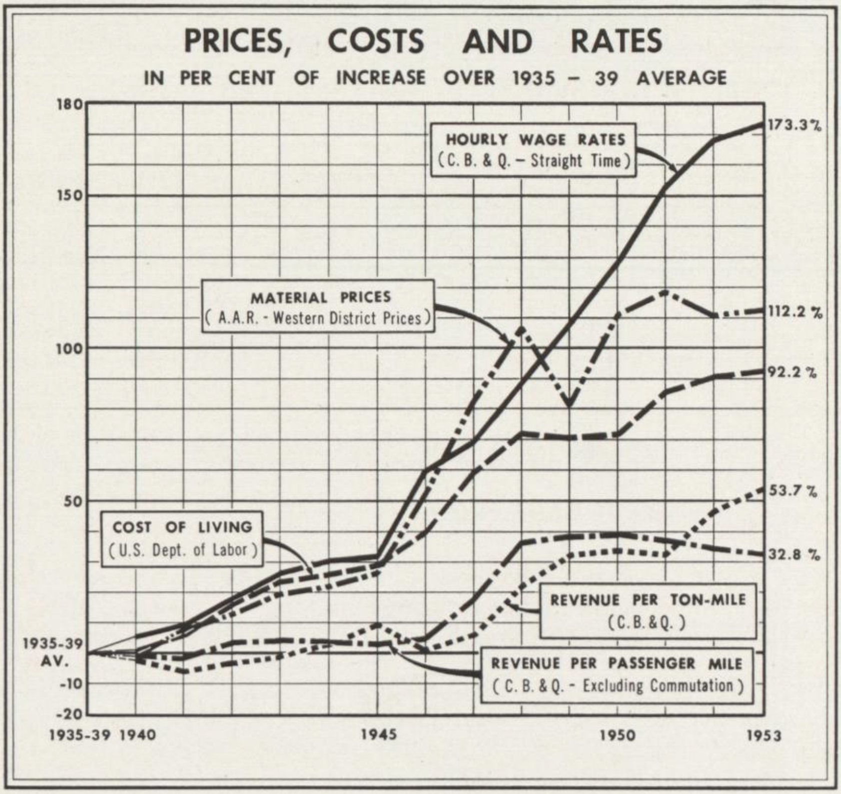
Freight revenue totaled $230,610,550 compared with $223,230,964 in 1952, an increase of $7,379,586 or 3.31 per cent.

Passenger revenue was $20,349,507, an increase of $176,050, or .87 per cent, over the 1952 total of $20,173,457.

Mail revenue was $11,056,673, an increase of $173,328, or 1.59 per cent, over the $10,883,345 total in 1952.

Express revenue was $3,884,955 compared with the $3,985,782 in 1952, a decrease of $100,827 or 2.53 per cent.

During 1953, the Company continued its policy of carrying on an energetic program of improvements. Substantial amounts were expended for new and improved facilities and equipment to provide greater efficiency and economy. By so doing the Company endeavors to provide the most attractive and satisfactory service possible while holding expenses below the general level of increase in cost of materials and labor.



Much has been accomplished in the transition from steam to Diesel locomotives and on the basis of normal service all of our passenger trains and about 95 per cent of our regular freight trains are handled by Diesels. There are still opportunities for further economies along that line.

General improvement of the track structure and modern signalling have added to track capacity and enhanced our ability to take in stride any volume of additional business we might be asked to handle.

Since the end of World War II, the gross capital expenditures have amounted to $262,049,933, an average of $32,756,242 per year.

Capital Expenditures 1946-1953, inclusive

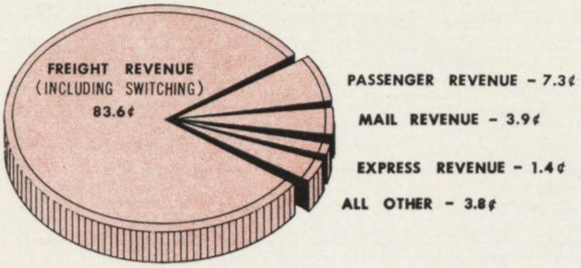
	Gross	Retirements	Net
Road and General	$ 87,914,762	$ 23,293,781	$ 64,620,981
Equipment	174,135,171	46,539,099	127,596,072
Total	$262,049,933	$ 69,832,880	$192,217,053

Capital Expenditures by years 1946-1953, inclusive

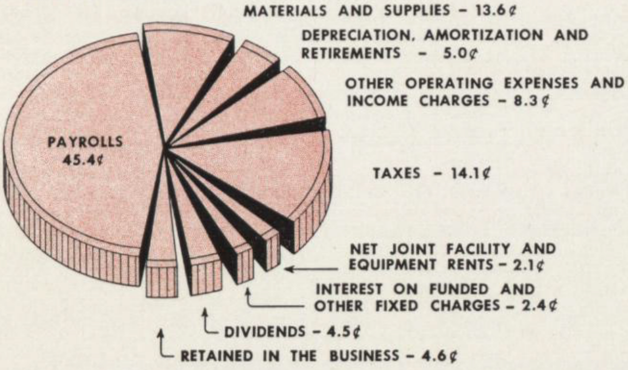
	Gross		Retirements		Net	
Year	Road & General	Equipment	Road & General	Equipment	Road & General	Equipment
1946	$7,589,022	$10,325,617	$2,456,665	$4,293,309	$5,132,357	$6,032,308
1947	8,579,787	22,387,809	1,984,481	4,533,130	6,595,306	17,854,679
1948	11,201,800	23,730,001	2,507,110	3,642,879	8,694,690	20,087,122
1949	9,256,970	19,161,939	2,645,945	3,677,817	6,611,025	15,484,122
1950	12,351,007	22,524,912	2,591,619	6,380,550	9,759,388	16,144,362
1951	8,647,919	21,080,167	2,701,451	7,575,134	5,946,468	13,505,033
1952	18,567,860	21,193,836	3,933,614	7,049,231	14,634,246	14,144,605
1953	11,720,397	33,730,890	4,472,896	9,387,049	7,247,501	24,343,841

OUR 1953 INCOME DOLLAR

WHERE IT CAME FROM



WHERE IT WENT



FREIGHT TRAFFIC

Revenue tons carried in 1953 were 50,236,447 compared with 50,264,564 in 1952, a decrease of 28,117 or .06 per cent. Carloads of revenue freight increased 29,990 or 2.10 per cent and freight train miles increased 132,431 or .93 per cent.

Average revenue per ton mile increased from 1.306 cents in 1952 to 1.371 cents in 1953, or 4.98 per cent.

Average load per car of carload traffic decreased from 35.1 tons in 1952 to 34.3 tons in 1953.

Source of Freight Revenue

	1953 Revenue*	Per Cent of Total	Per Cent Change from 1952	
			Increase	Decrease
Products of Agriculture	$ 46,297,388	18.82		6.60
Animals and Products	18,382,023	7.47	9.05	
Products of Mines	38,201,191	15.53		4.82
Products of Forests	13,397,656	5.45		2.25
Manufactures and Miscl.	110,601,925	44.97	13.59	
Forwarder Traffic	10,560,790	4.29	9.78	
Less Carload Freight	8,522,670	3.47		6.91
Total	$245,963,643	100.00	4.04	

*Gross Freight Revenue, stated without adjustments for absorptions or corrections which reduced total freight revenue to $230,610,550.

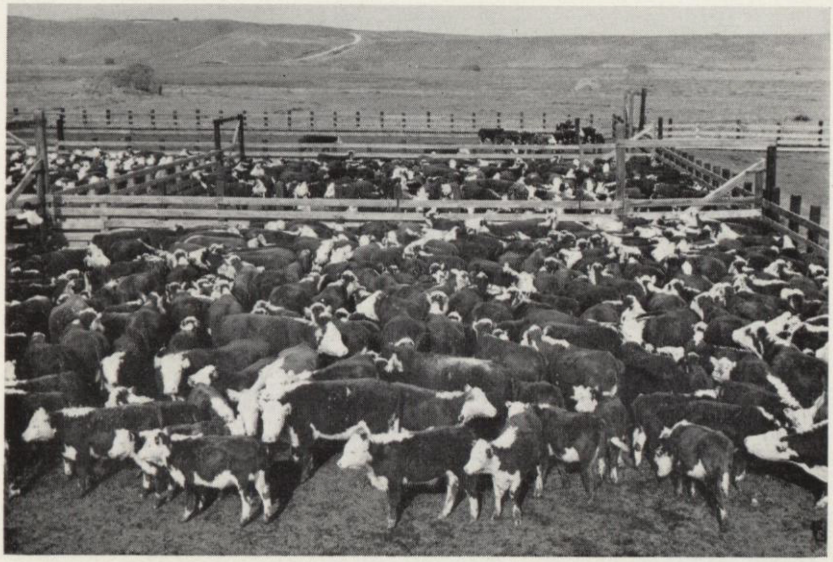
AGRICULTURE AND LIVESTOCK

Dry weather in 1953 reduced production of the farm crops in states served by the CB&Q. Corn was off 7.6 per cent from the unusually high yields of 1952, but was 8.9 per cent above the ten-year (1942-1951) average. Wheat was down 19.5 per cent although 8.1 per cent better than the ten-year average. Oats harvested declined 12.6 per cent, barley 2.4 per cent, soybeans 15.9 per cent, potatoes 8.4 per cent, and hay 2.2 per cent. Sugar beets increased .3 per cent and edible beans 19.9 per cent.

Acreage in CB&Q states seeded to winter wheat for harvest in 1954 decreased 17.7 per cent from last year, 6.6 per cent below the ten-year (1942-1951) average, largely because of a governmental acreage reduction program. Except for minor drought areas, the crop is in good condition with prospects for satisfactory yields in 1954. Meanwhile stocks of most grains on farms and in mills and elevators continued to increase. Wheat storage was up 7.2 per cent, corn 3.8 per cent, barley unchanged. Oats in storage declined 10.2 per cent.

Our Agricultural Department cooperated during the year with colleges of agriculture and other interested agencies in the improvement of agriculture in the states served by the CB&Q. A series of better farming meetings were conducted in Nebraska, Colorado and Wyoming. Efforts were made to encourage improved feeding and fertilizing practices and assistance was given to state and district reclamation agencies in developing and enlarging surface flow and pump irrigation. The activities of 4-H Clubs and Future Farmers of America were encouraged and corn production contests were conducted to further improve agricultural practices in counties served by the CB&Q.

Cattle fed in states served by the CB&Q at the close of the year were 11.9 per cent below the relatively large numbers fed last year. However, this represented an increase of 19.1 per cent over the ten-year average; sheep on feed increased .7 per cent. Government reports indicate a probable increase of 6.6 per cent in swine production.



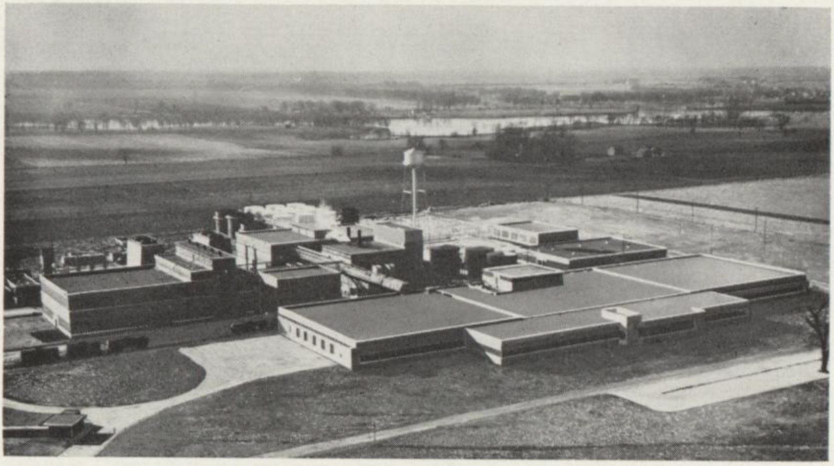
INDUSTRIAL DEVELOPMENT

1953 was an active year in industrial development. During the year, 441 new industrial leases of CB&Q land were made. Fifty-nine new industries located on private ground available to our service and 22 industries served by our line enlarged their plant facilities. Seventy new industrial tracks or track extensions were built.

In order to provide available sites zoned for industrial development, four new industrial tracts consisting of 487 acres were acquired during the year. These tracts are located at Denver, Lincoln, Scottsbluff, and St. Paul. All are level, well drained, contiguous to our railroad, and are readily accessible to good highways.

Aerial photographs were secured of 131 attractive industrial properties served by the CB&Q. Plot maps and descriptive material covering these are being prepared for publication in a 125-page "Burlington Industrial Sites" book which will be ready for distribution in 1954. This book will supplement industrial location surveys prepared by the Industrial Department for the use of industries from whom inquiries are received.

During the year, new streets, water lines and sewers were built into industrial sites at Kansas City and Denver where location of new plants has been most active. The Industrial Department has cooperated with Chambers of Commerce, industrial committees, state and local government agencies in attracting industries to areas served by the CB&Q.



Food Processing Plant – Jacksonville, Illinois
Mrs. Tuckers Products division of Anderson Clayton & Co.

RATE CHANGES
Freight

About the middle of 1953 hearings were held by the Interstate Commerce Commission on the rail carriers' petition to remove the expiration date from the increases granted in Ex Parte 175, permitting those increases to become permanent. As a result of those hearings, the Commission declined to remove the expiration date, but did extend it from February 28, 1954, to December 31, 1955. This action is quite important since the Ex Parte 175 increases represent for the CB&Q an estimated increase of 13.55 per cent over the rates in effect prior thereto, resulting in estimated additional freight revenue of $31,247,729 for the year 1953.

Nebraska Wheat Field

PASSENGER TRAFFIC

Exclusive of commutation traffic, the revenue passengers carried in 1953 increased 92,874 or 2.11 per cent over 1952; revenue passenger miles increased 12,497,377 or 1.62 per cent over 1952; the average distance traveled per passenger was 174.1 miles in 1953, a decrease of .9 mile or .51 per cent under 1952; and the average revenue per passenger mile was 2.37 cents in 1953, a decrease of .03 cent or 1.25 per cent under 1952.

Commutation passengers carried in 1953 increased 304,888 or 4.80 per cent over 1952 and the passengers carried one mile increased 6,333,655 or 5.68 per cent over 1952. Passenger revenue from commutation fares in 1953 was $1,748,613, an increase of $130,627 or 8.07 per cent over 1952.

PASSENGER TRAIN SERVICE

The CB&Q moved to a strong competitive position for passenger traffic between Chicago and Kansas City with the introduction on February 1, 1953, of the Kansas City Zephyrs (trains 35 and 36), new stainless steel trains with Vista-Dome cars, running on fast daylight schedules via the new Kansas City Short-Cut.

On the same date, the new American Royal Zephyrs (numbers 55 and 56), with stainless steel streamline equipment including Vista-Domes, replaced the conventional American Royal equipment on overnight service between Chicago and Kansas City and schedules were cut several hours. Schedules of connecting service between Brookfield and St. Joseph, Missouri, were adjusted to provide connections with both the Kansas City and American Royal Zephyrs, thus giving St. Joseph correspondingly improved daylight and overnight service to and from Chicago.

The new Zephyrs offer the latest features in chair coaches, sleeping cars, diners, club-lounges and parlor-observation cars, as well as the Vista-Domes. Since the inauguration of these trains, through and local traffic has increased substantially, indicating greater future popularity of the Chicago-Kansas City service.

Ten additional suburban gallery cars were received from The Budd Company and placed in suburban service during April, May and June.

Bus service was established between Atchison, Kansas, and Armour, Missouri, to connect with Omaha-Kansas City trains in lieu of stub rail service, effective January 1, 1953.

Overnight sleeping car operations were discontinued between Chicago and Quincy January 31, and between Lincoln and Kansas City September 27.

Unprofitable Passenger Trains—The Company has continued its efforts to reduce its unprofitable passenger train service. During the year certain of these light-traffic trains were entirely eliminated and with respect to others the service was discontinued for one day each week, resulting in a saving of 273,202 train miles per annum.

RATE CHANGES

Passenger

On June 12, 1953, a tariff naming an increase in commutation fares in the Chicago suburban district was filed with the Illinois Commerce Commission to become effective July 15. The CB&Q sought an average increase of 27 per cent in these fares. The Commission suspended the tariff and held a hearing on July 14, at which time no objection was offered to the new fares. On October 28, 1953, the Commission issued an order permitting substantially all of the increases, which were made effective on November 1 for all fares except the monthly ticket fares which were increased November 7. It is estimated the new fares will increase suburban revenue approximately $460,000 per annum.

The use of non-scheduled airlines for movement of troops at greatly reduced rates has caused a substantial diversion of traffic from the railroads. We have joined our connections in meeting this competition by naming reduced fares to the Government under Section 22 of the Interstate Commerce Act, which has resulted in the return of much of this traffic to the rails.

Mail

On June 24, 1953, the railroads filed a petition with the Interstate Commerce Commission for an increase in the rates and compensation for handling the United States mail. The railroads and the Post Office Department agreed to an increase of 10 per cent, subject to approval of the I.C.C., to become effective retroactive to October 1, 1953. It is estimated this will yield the CB&Q additional revenue of $970,000 per annum.

Express

The Railway Express Agency filed a petition with the Interstate Commerce Commission on January 30, 1953, for a 25 per cent increase in their rates and a minimum charge of $2.30 per shipment, with certain exceptions. The I.C.C. authorized an average 15 per cent increase which became effective August 20, 1953. The estimated additional CB&Q revenue is $398,000 per annum.

NEW EXPRESS CONTRACT

During the year, the railroads approved the new Railway Express Agency contract which is to operate from March 1, 1954 until December 31, 1973. The Interstate Commerce Commission approved the contract November 5, 1953. Express shipments will be handled substantially the same as under the existing contract.

California Zephyr near Lisle, Illinois

OPERATIONS

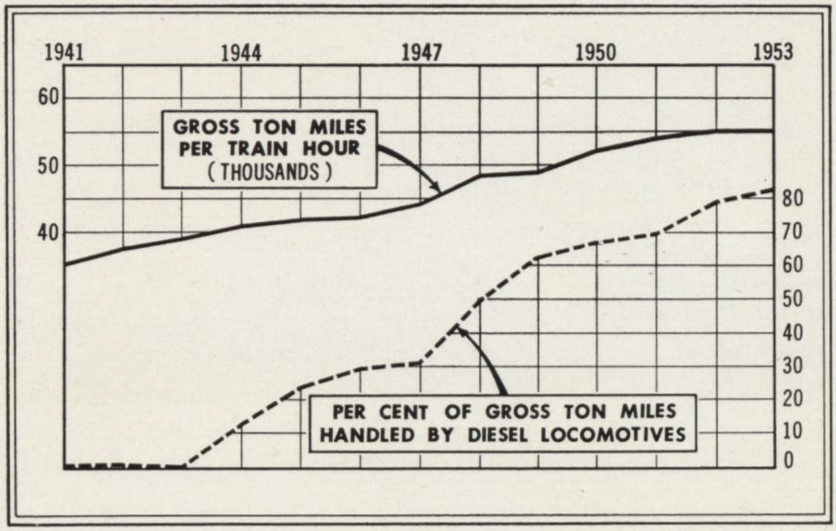
Maintenance of Way and Structures expenses, excluding depreciation and retirements, increased $7,317,535 or 20.07 per cent over 1952. A large part of the increase was in connection with line and grade improvements between Galesburg, Illinois, and Brookfield, Missouri, as a further step in improving our Chicago-Kansas City line. Some of the important maintenance work performed during the year 1953 was:

79.28 miles of track were relaid with new 129-pound T.R. rail.
179.74 miles of track were relaid with new 112-pound T.R. rail.
158.70 miles of track were relaid with secondhand 112, 110, 100, 90, and 85-pound rail.
764,331 new creosoted cross ties were placed in track.
861,741 cubic yards of ballast were applied.

Maintenance of Equipment expenses, excluding depreciation and retirements, decreased $1,036,168 or 3.19 per cent compared with 1952. All equipment was currently maintained, 3,944 freight cars having received general repairs.

Transportation expenses increased $2,920,445 or 3.07 per cent over 1952. The transportation ratio in 1953 was 35.20 per cent compared with 35.17 per cent in 1952.

With the increased use of diesel power, transportation efficiency as measured by gross ton miles per train hour has improved as illustrated by the chart.



IMPROVEMENTS

Net capital expenditures in 1953:

Road	$ 7,521,139
Equipment	24,343,841
General	Cr. 273,638
Total	$31,591,342

Road

Capital charges for improvement and replacement of bridges amounted to $717,564.

Major improvements completed during the year were:

Track changes and new signals providing direct connection with paired tracks of GM&O-KCT over A-S-B Bridge at Kansas City.

These improvements provide for direct movement of Kansas City-St. Louis freight trains, thus eliminating "switch-back" movement through the congested "Goose-neck" territory and in addition provide a more direct route for interchange with certain carriers.

Grade and line improvements for 2.59 miles between Macon and Bevier, Missouri, M.P. 71.26 to M.P. 73.85.

Grades were raised through sags and curvature reduced at three locations, thereby improving train operations.

Construction of new freight house, Minneapolis, Minnesota.

Construction of warehouse, Minneapolis, Minnesota.

Major improvements still under construction:

Grade and line changes M.P. 32 to M.P. 59 between Monroe City, Missouri and Clarence, Missouri.

This improvement will reduce distance 304 feet and curvature 46°27′ and raise grade through sags.

Grade and line changes M.P. 223 to M.P. 254 between Plymouth, Illinois, and Ewbanks, Illinois.

This will reduce distance 101 feet and curvature 49°15′, and raise grade through sags.

Installation of automatic block signals and centralized traffic control between Galesburg and Quincy, Illinois.

This will modernize the signalling with resultant reduction in the speed restrictions in that territory.

Construction of passenger station, Hannibal, Missouri.

The original Hannibal Union Station building was 93 years old and not adapted for present requirements. New station will be small and compact in keeping with present demands. CB&Q will be sole owner. Union Station Company has been dissolved.

Rearrangement of Florence Yard at St. Joseph, Missouri.

Provides for wider track centers and a more efficient track arrangement, which will reduce the switching time and expedite dispatching of freight trains.

Raising grade 3 feet at Bridge 123.01 near Wheeling, Missouri.

Provides additional head room and increases the opening from 132 feet to 190 feet.

Construction of new terminal freight house at Morton Park, Illinois, rearrangement of yard tracks and relocation of the main tracks to north side of yard.

Portion of Steelwork of New Freight House No. 9, Morton Park, Illinois

This modern freight terminal will result in more economical and efficient handling of l.c.l. and carload freight traffic.

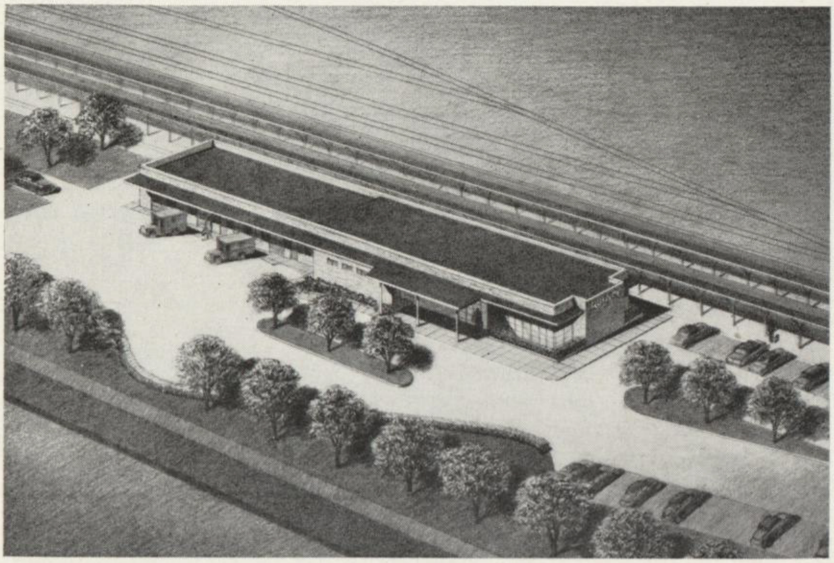
Relocation of main tracks will eliminate approximately 47,632 main line crossover movements and save 7,939 switch engine hours per year. Transfer traffic will be expedited and about 4,000 road freight engine movements across three main tracks eliminated annually, which have caused delay to outbound engines.

Construction of addition to inbound freight handling facilities at House No. 10 at Chicago, Illinois.

It is estimated that this will provide for 25 per cent more business.

Construction of new passenger station and engine terminal at Quincy (West Station).

All passenger and freight handling facilities are now consolidated at Quincy (West Station) instead of Quincy which allows for faster and more modern operation of the Kansas City line.



New Passenger Station to serve Quincy, Illinois

Cab signalling between Chicago and Aurora, Illinois, including application of equipment to 130 locomotives.

This will promote efficiency of operations.

Installation of centralized traffic control between Pacific Junction, Iowa, and Lincoln, Nebraska.

This improved signalling will expedite important train movements between these points. When completed all single track sections of the Chicago-Denver line will have been equipped with centralized traffic control.

EQUIPMENT

Built in Company Shops:

750—40′ 8″ 70-ton steel hopper cars.
2,250—40′ 6″ 50-ton steel box cars.
1—53′ 125-ton steel flat car.
1—Business car rebuilt from lounge car.
30—77′ all steel baggage cars.

Purchased:

8—2250 h.p. E-8 Diesel-electric passenger locomotives.
25—1500 h.p. SD-7 Diesel-electric road-switch locomotives.
13—1500 h.p. GP-7 Diesel-electric road-switch locomotives.
30—50′ 50-ton mechanically refrigerated cars.
100—40′ 50-ton refrigerated meat cars.
10—Double-deck, stainless steel suburban coaches.
1—Baggage-mail car—all steel.
1—Baggage-dormitory car—all steel.
3—48-seat coaches—all steel, air conditioned.
1—60-seat coach—all steel, air conditioned.
1—Dining car—all steel, air conditioned.
1—Lounge-coffee shop car—all steel, air conditioned.
1—Observation lounge car—all steel, air conditioned.
6—Sleepers—all steel, air conditioned.

Equipment on order, delivery expected in 1954:

To be built in Company Shops:

35—All steel way cars.
100—50′ 6″ 50-ton steel parts cars.
200—1958 cu.ft. 70-ton steel covered hopper cars.
100—2893 cu.ft. 70-ton steel covered hopper cars.

To be purchased:

20—1750 h.p. SD-9 Diesel-electric road-switch locomotives.
* 2—1500 h.p. GP-7 Diesel-electric road-switch locomotives.
200—40′ 50-ton refrigerated meat cars.
15—30 yd. air dump cars.
30—2893 cu.ft. 70-ton covered hopper cars.
2—Stainless steel dome coaches.
2—Stainless steel dome sleepers.
1—Mail-dormitory car.
1—Coach-buffet-lounge car.

*Delivery was expected in 1953, actually accepted January 2, 1954.

Burlington Diesel Freight Train along Mississippi River Bluffs

SIGNALS AND INTERLOCKERS

Major items of signaling completed during 1953 include the placing in service of the CTC from Oreapolis to Ashland, Nebraska, via Omaha, not including the Omaha passenger yard, and from Ashland to and including South Bend, Nebraska, on the Louisville line. The balance of the CTC between Pacific Junction, Iowa, and Lincoln, Nebraska, will be completed in late spring of 1954.

Thirty-eight installations of modern highway crossing protection were also completed, the majority of which replaced manual protection.

In addition to the projects which have been completed as outlined above, plans are being prepared and material has been ordered for 25 miles of automatic block signals between Galesburg and Bushnell, Illinois, and 71 miles of CTC between Bushnell and Quincy, Illinois.

In connection with the installation of cab signals between Chicago and Aurora, Illinois, equipment has now been completed on 130 passenger locomotives and the installation will be placed in service in the early part of 1954, which will also include a new interlocking at Highlands and at West Hinsdale.

LINE ABANDONMENTS AND TRACK CHANGES

On August 4, 1953, the Interstate Commerce Commission authorized abandonment of certain tracks at Metropolis, Illinois, formerly used for transferring waterborne traffic. The tracks were abandoned September 3, 1953.

On September 25, 1953, the Commission authorized abandonment of our line between Almena and Oronoque, Kansas, a distance of approximately 18.11 miles, and by the same order authorized the acquisition of trackage rights over the line of the Chicago, Rock Island and Pacific Railroad Company between Almena and Dellvale, Kansas, a distance of approximately 18 miles, and construction of a connecting track approximately one mile long between Dellvale and Oronoque. Operation over the line of the Rock Island under such trackage rights will begin in 1954.

LABOR

Changes in the cost-of-living index resulted in the following wage adjustments in 1953 under existing contract provisions: one cent an hour reduction effective January 1; three cents an hour reduction effective April 1; and three cents an hour increase effective October 1, 1953; or a net reduction of one cent an hour.

On March 18, 1953, a referee appointed by former President Truman awarded an increase of four cents an hour to both operating and non-operating employes, effective December 1, 1952, under the previously negotiated "improvement factor" clause of their agreements.

The composite effect of these wage adjustments for the CB&Q was an increased payroll expense for the year 1953 of approximately $1,090,000.

On May 22, 1953, the non-operating labor organizations served demands upon the nation's railroads for increased vacations, penalty pay for work performed on Sundays and holidays, health and welfare benefits, and liberalized free transportation. A three-man Emergency Board was created by President Eisenhower under the Railway Labor Act on December 28, 1953, to investigate and report on this dispute.

When the moratorium provisions of the agreements with the operating crafts expired on October 1, 1953, their organizations served demands on the nation's railroads for large increases in rates of pay, which were handled on a concerted basis by Conference Committees. On December 16, 1953, a national agreement was made with the Brotherhood of Railroad Trainmen. It provided that the cost-of-living adjustments in effect would become part of the basic rates and that no further cost-of-living adjustments would be made; for a five-cent an hour increase effective December 16; and for three weeks' vacation for employes with fifteen or more years of service. The Brotherhood of Locomotive Firemen and Enginemen and the Order of Railway Conductors signed similar agreements shortly after the first of 1954. These agreements will increase payroll expense on the CB&Q by approximately $1,040,000 annually.

The national wage demand of the Brotherhood of Locomotive Engineers requesting a 30 per cent increase in basic rates is still pending.

FINANCIAL

During 1953 capital liabilities of the Company increased $18,188,338:

	Increase	Decrease	Net
Funded Debt	$	$ 1,948,000	$ 1,948,000 Decrease
Equipment Obligations	29,678,880	9,542,542	20,136,338 Increase
Total	$29,678,880	$11,490,542	$18,188,338 Increase

The annual interest charges increased $507,628.

DIVIDENDS

Dividends totaling $7.50 per share were paid in 1953, the ninety-second consecutive year in which the Company has paid a dividend.

TAXES

Tax accruals of $39,557,462 in 1953 were $132,675 less than in 1952.

	1953	
Federal income taxes	$22,339,369	$497,756 Decrease
Federal Railroad Retirement taxes	6,643,669	193,947 Increase
Federal Unemployment taxes	531,030	17,612 Increase
State and other Government taxes	10,043,394	153,522 Increase
Total	$39,557,462	$132,675 Decrease

Total taxes in 1953 amounted to 14.21 per cent of total operating revenues, equivalent to $23.15 per share of capital stock.

To December 31, 1953, the Company received certificates under Section 124-A of the Internal Revenue Code authorizing amortization over a 60-month period of part of the cost of 8,080 freight and refrigerator cars, 191 Diesel units, and 60 baggage cars. Under an Interstate Commerce Commission accounting order of December 21, 1951, normal depreciation charges only may be recorded in the income account with respect to the amortized portion of this equipment. The excess of amortization charges over normal depreciation will reduce tax liability during the 60-month period and therefore increase net income over what it otherwise would be. In the years subsequent to the 60-month amortization period the normal depreciation charges on the amortized portion will be included in the income account but will not be deductible for tax purposes and tax liability will be increased accordingly.

Amortization charges under the above-mentioned certificates exceeded normal depreciation charges by $6,558,792 for 1953 and $4,353,365 for 1952 and reduced Federal income taxes, with a corresponding increase in net income, as follows:

1953	$3,410,572
1952	2,263,750

GOVERNMENT LITIGATION

Seventeen complaints against the railroads, filed with the Interstate Commerce Commission by the United States, seeking reparation for alleged unreasonable freight charges on shipments of war materials, mentioned in previous Annual Reports, are still pending. Two Examiners, in a proposed report released July 23, 1953, recommend that the Commission find that the rates charged were not unjust or unreasonable and dismiss the complaints. The Department of Justice has filed exceptions to the proposed report, and the railroads have until July 30, 1954, to file their reply to such exceptions.

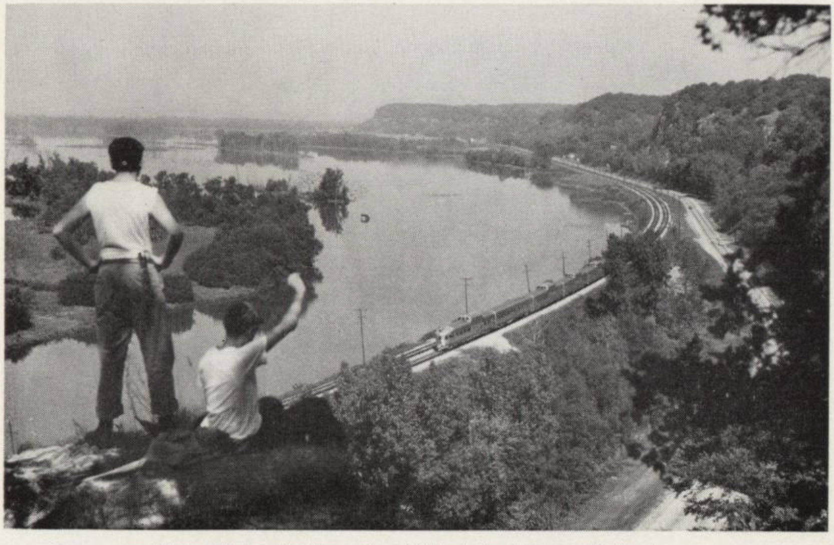
EMPLOYE BENEFITS

The Relief Department paid out $778,610 in disability and death claims to 4,550 employes during the calendar year 1953.

The Company paid Federal taxes of $6,643,669 to provide for disability and old age retirement of employes. The Company also paid a Federal Railroad Unemployment Insurance tax of $531,030.

OUR EMPLOYES IN MILITARY SERVICE

During the Korean conflict, 2,458 employes entered military service. Of this number, 12 died in military service, 8 of whom were casualties in Korea. Reports show that 929 have been discharged from military service and that 849, or 91.4 per cent have resumed work.



Twin Cities Zephyr along Mississippi River Palisades

BURLINGTON TRUCK LINES, INC.

During the year, Burlington Truck Lines, Inc., a wholly-owned subsidiary, had a net loss of $4,405 compared with a net loss of $185 in 1952.

Operating revenues were $5,867,667, an increase of $1,315,291 or 28.88 per cent over 1952.

Operating expenses were $5,470,001, an increase of $1,165,693 or 27.08 per cent and taxes were $370,877, an increase of $75,971 or 25.76 per cent over 1952.

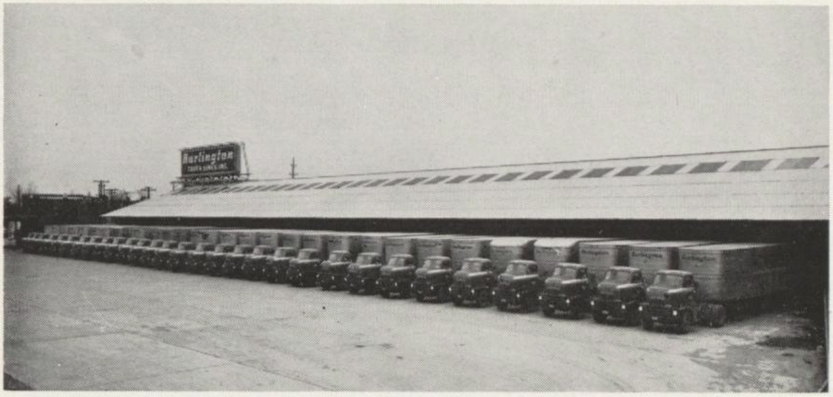
The revenue ton miles were 64,523,280, an increase of 12,597,569 or 24.26 per cent over 1952. Truck miles operated over 5,210 route miles were 8,622,591, an increase of 1,636,603 or 23.43 per cent over 1952. Average haul per ton was 242.47 miles, an increase of 26.63 miles or 12.34 per cent over 1952.

Units of revenue freight equipment owned as of December 31, 1953, compared with December 31, 1952, were as follows:

	1953	1952	Increase
Trucks	157	104	53
Truck-tractors	232	159	73
Semi-trailers	346	258	88

Cost of additional revenue freight equipment was $1,253,553, of which $1,000,957 was financed under conditional sale agreements.

Burlington Truck Lines are handling the pickup and delivery service for CB&Q at 24 points, the work at 5 points having been added in 1953.



CHANGES IN ORGANIZATION

The following officers retired under the Pension Rules during 1953:

Mr. Bert Vickery, Treasurer and Assistant Secretary, after 49 years of service with the Company.

Mr. H. E. Hinshaw, General Manager, Lines East, after 44 years of service with the Company.

Mr. H. A. Aalberg, formerly Assistant Chief Engineer, System, was appointed Chief Engineer, System, in charge of Engineering and Maintenance of Way, effective January 1, 1953, after 42 years of service with the Company.

Mr. E. J. Brown, formerly Engineer of Track, System, was appointed Assistant Chief Engineer, System, effective January 1, 1953, after 33 years of service with the Company.

Mr. R. W. Coglan, formerly Assistant to Treasurer, was elected Treasurer and Assistant Secretary, effective November 1, 1953, after 46 years of service with the Company.

Mr. E. L. Potarf, formerly General Manager, Lines West, was appointed General Manager, Lines East, effective November 1, 1953, after 35 years of service with the Company.

Mr. E. P. Stine, formerly Assistant to Vice President-Operation, was appointed General Manager, Lines West, effective November 1, 1953, after 33 years of service with the Company.

* * * * *

By order of the Board of Directors.

H. C. MURPHY, President

Burlington Route

COMPARATIVE STATEMENT OF INCOME, YEARS ENDED DECEMBER 31

(See Pages 36 to 38)

Percent of Ry. Oper. Revenue	1953	Railway Operating Revenues	1952	Percent of Ry. Oper. Revenue
82.83	$230,610,549.76	Freight	$223,230,964.22	82.57
7.31	20,349,506.64	Passenger	20,173,457.34	7.47
3.97	11,056,673.44	Mail	10,883,345.17	4.03
1.39	3,884,955.11	Express	3,985,781.79	1.47
1.70	4,739,438.67	All other transportation	4,743,059.17	1.75
2.46	6,820,710.62	Incidental	6,288,895.18	2.32
.34	951,977.71	Joint facility	1,042,276.67	.39
100.00	278,413,811.95	Total railway operating revenues	270,347,779.54	100.00
Operating Ratios		**Railway Operating Expenses**		Operating Ratios
17.63	49,071,801.75	Maintenance of way and structures	42,108,312.34	15.57
14.37	40,018,048.96	Maintenance of equipment	40,839,793.48	15.11
2.19	6,092,985.27	Traffic	5,662,758.86	2.09
35.20	97,998,903.11	Transportation	95,078,458.09	35.17
1.21	3,380,783.15	Miscellaneous operations	3,449,509.97	1.28
2.36	6,561,845.32	General	6,297,126.90	2.33
72.96	203,124,367.56	Total railway operating expenses	193,435,959.64	71.55
27.04	75,289,444.39	Net revenue from railway operations	76,911,819.90	28.45
	*22,339,369.04	Federal income taxes	*22,837,125.28	
	7,174,698.72	Federal payroll taxes	6,963,139.87	
	10,043,394.36	All other taxes	9,889,871.91	
	39,557,462.12	Total taxes	39,690,137.06	
	35,731,982.27	Railway operating income	37,221,682.84	
	Dr. 3,762,689.61	Hire of equipment—Net	Dr. 3,234,128.34	
	Dr. 2,089,630.86	Joint facility rents—Net	Dr. 2,243,559.33	
	29,879,661.80	Net railway operating income	31,743,995.17	
		Other Income		
	791,447.43	Rentals	782,615.32	
	1,600,366.13	Dividends and interest	1,471,953.87	
	87,284.59	Miscellaneous	33,001.64	
	2,479,098.15	Total other income	2,287,570.83	
	32,358,759.95	Total income	34,031,566.00	
		Deductions from Total Income		
	25,224.43	Rents payable	27,522.79	
	99,410.70	Taxes on nonoperating property	99,049.75	
	286,336.49	Miscellaneous income charges	130,241.05	
	410,971.62	Total deductions	256,813.59	
	31,947,788.33	Income available for fixed charges	33,774,752.41	
		Fixed Charges		
	52,905.82	Rent for leased roads and equipment	50,858.18	
	6,186,809.38	Interest on funded debt	5,679,181.34	
	4,530.02	Interest on unfunded debt	2,880.90	
	42,036.48	Amortization of discount on funded debt	41,239.77	
	6,286,281.70	Total fixed charges	5,774,160.19	
	*25,661,506.63	Net income after fixed charges	*28,000,592.22	
		Disposition of Net Income		
	12,812,902.50	Dividend appropriations of income	12,812,902.50	
	$ 12,848,604.13	Balance of income transferred to Earned Surplus	$ 15,187,689.72	

*See Page 21—"Taxes"

GENERAL BALANCE SHEET

December 31, 1953

ASSETS

INVESTMENTS:		
Road and equipment property		$840,977,748.96
Accrued depreciation—road and equipment	$154,914,332.24	
Accrued amortization of defense projects—road and equipment	41,499,667.86	196,414,000.10
Total investment road and equipment less depreciation and amortization		644,563,748.86
Capital and other reserve funds		3,765,476.64
Miscellaneous physical property		7,884,073.48
Investments in affiliated companies:		
Stocks	$ 27,406,007.62	
All other	12,451,860.49	39,857,868.11
Other investments:		
Stocks	$ 3,689,925.84	
Bonds	4,259,583.60	
All other	6,584.47	7,956,093.91
Total investments less depreciation and amortization		704,027,261.00
CURRENT ASSETS:		
Cash		24,778,686.73
Temporary cash investments		25,609,542.55
Special deposits		1,291,439.69
Loans and bills receivable		883.75
Net balance receivable from agents and conductors		4,214,053.87
Miscellaneous accounts receivable		7,908,299.57
Material and supplies		23,943,140.54
Interest and dividends receivable		146,638.95
Accrued accounts receivable		4,781,384.56
Other current assets		326,510.68
Total current assets		93,000,580.89
DEFERRED ASSETS:		
Working fund advances		199,489.22
Other deferred assets		1,565,774.31
Total deferred assets		1,765,263.53
UNADJUSTED DEBITS:		
Prepayments		468,556.17
Discount on funded debt		368,268.58
Other unadjusted debits		3,638,972.41
Total unadjusted debits		4,475,797.16
Grand Total		$803,268,902.58

GENERAL BALANCE SHEET

December 31, 1953

LIABILITIES

CAPITAL STOCK:		
Common stock—Par value $100 per share		$170,839,100.00
LONG-TERM DEBT:		
Funded debt unmatured (Page 32):		
Total book liability	$326,379,100.00	
Less held by or for the company	178,082,100.00	148,297,000.00
Equipment obligations (Page 32)		67,698,446.57
Amounts payable to affiliated companies		1,403,950.29
Total long-term debt		217,399,396.86
CURRENT LIABILITIES:		
Traffic and car service balances—Cr.		1,038,472.55
Audited accounts and wages payable		13,211,498.85
Miscellaneous accounts payable		3,725,956.47
Interest matured unpaid		209,934.53
Unmatured interest accrued		2,033,634.13
Accrued accounts payable		4,417,790.06
Taxes accrued		29,818,155.98
Other current liabilities		2,566,501.56
Total current liabilities		57,021,944.13
DEFERRED LIABILITIES:		
Other deferred liabilities		639,949.19
UNADJUSTED CREDITS:		
Premium on funded debt		352.77
Insurance reserves		1,392,996.20
Other unadjusted credits		1,187,931.34
Accrued depreciation—leased property		74,547.02
Total unadjusted credits		2,655,827.33
SURPLUS:		
Unearned surplus		302,231.76
Earned surplus—appropriated (Page 28)		48,025,460.10
Earned surplus—unappropriated (Page 28)		306,384,993.21
Total surplus		354,712,685.07
Grand Total		$803,268,902.58

COMPARATIVE STATEMENT OF UNAPPROPRIATED EARNED SURPLUS ACCOUNT, YEARS ENDED DECEMBER 31

	1953	1952	Increase	Decrease
CREDITS:				
Credit balance at beginning of year	$293,406,075.37	$275,855,508.89	$ 17,550,566.48	....
Credit balance transferred from income	12,848,604.13	15,187,689.72	....	$ 2,339,085.59
Miscellaneous credits	186,159.26	2,896,810.33	....	2,710,651.07
Total	$306,440,838.76	$293,940,008.94	$ 12,500,829.82	....
DEBITS:				
Miscellaneous debits	$ 55,845.55	$ 533,933.57	....	$ 478,088.02
Credit balance carried to balance sheet	306,384,993.21*	293,406,075.37*	$ 12,978,917.84	....
Total	$306,440,838.76	$293,940,008.94	$ 12,500,829.82	....

* Approximate application of Income included in Unappropriated Earned Surplus as of December 31:

	1953	1952
Net working capital retained in the business	$ 44,281,844	$ 44,178,011
Invested in affiliated and non-affiliated companies	22,157,207	21,603,220
Expended in improving the Railroad plant	239,945,942	227,624,844
	$306,384,993	$293,406,075

Appropriated Surplus Income of $48,025,460 (page 27) was expended in retiring Funded Debt prior to year 1928.

INVESTMENT IN ROAD AND EQUIPMENT
YEAR 1953

Account		Additions and Betterments
Engineering		$ 83,525.36
Land for transportation purposes		99,921.62
Other right-of-way expenditures		12,495.66
Grading		844,721.25
Tunnels and subways		11,318.41
Bridges, trestles and culverts		717,564.16
Ties		48,648.97
Rails		763,987.78
Other track material		1,078,440.11
Ballast		232,395.64
Track laying and surfacing		338,245.75
Fences, snowsheds and signs	Cr.	22,178.45
Station and office buildings		2,053,798.85
Roadway buildings		15,928.14
Water stations	Cr.	356,281.57
Fuel stations	Cr.	29,509.50
Shops and enginehouses	Cr.	226,206.86
Wharves and docks	Cr.	56,627.76
Communication systems		166,057.58
Signals and interlockers		1,373,315.08
Power plants		6.10
Power transmission systems		2,525.26
Miscellaneous structures		18,553.05
Roadway machines		249,388.19
Roadway small tools		804.60
Public improvements—Construction		138,661.78
Shop machinery	Cr.	150,576.90
Power plant machinery		112,216.55
Total expenditures for road		7,521,138.85
Steam locomotives	Cr.	5,921,720.86
Other locomotives		9,919,357.97
Freight-train cars		15,765,242.16
Passenger-train cars		4,422,611.32
Work equipment		92,305.19
Miscellaneous equipment		66,044.78
Total expenditures for equipment		24,343,840.56
Organization expenses		114.62
General officers and clerks	Cr.	14,625.95
Law	Cr.	8,687.51
Stationery and printing	Cr.	907.09
Taxes	Cr.	4,667.94
Interest during construction	Cr.	239,818.48
Other expenditures—general	Cr.	5,046.04
Total general expenditures	Cr.	273,638.39
Grand total		$31,591,341.02

"Cr."—Credits due to retirements.

STATISTICS OF OPERATIONS

ITEMS	1953	1952
Actual miles road operated, end of year	8,866.52	8,866.59
Average mileage of road operated—Total	8,866.77	8,823.89
Average mileage of road operated—Freight Service.	8,832.71	8,789.70
Average mileage of road operated—Passgr. Service.	5,085.71	5,056.07
TRAIN MILES		
Freight	14,435,536	14,303,105
Passenger	12,445,025	11,755,431
Total transportation service	26,880,561	26,058,536
Work service	349,714	298,912
LOCOMOTIVE MILES		
Freight	14,988,618	14,939,998
*Passenger	11,618,244	10,912,248
Train and yard switching	7,288,271	7,180,137
Total transportation service	33,895,133	33,032,383
Work service	860,168	775,804
CAR MILES		
Loaded freight cars	597,796,953	592,905,624
Empty freight cars	304,350,531	310,553,546
Sum of loaded and empty	902,147,484	903,459,170
Caboose	13,921,277	13,920,155
Total freight cars	916,068,761	917,379,325
Coach and combination passenger cars	29,925,904	27,191,573
Sleeping and parlor	23,898,302	23,281,461
Club, lounge, dining and observation	9,943,619	9,697,093
Other	46,023,798	46,197,886
Total passenger cars	109,791,623	106,368,013
Total transportation service	1,025,860,384	1,023,747,338
Work service	2,840,942	2,737,984
FREIGHT SERVICE		
Tons—revenue freight	50,236,447	50,264,564
Tons—revenue and non-revenue freight	54,410,137	54,749,213
Ton-miles—revenue freight	16,825,003,317	17,096,963,216
Ton-miles—revenue and non-revenue freight	17,879,067,300	18,246,186,400
PASSENGER SERVICE		
Passengers carried—revenue	11,153,876	10,756,114
Passenger miles—revenue	902,035,893	883,204,861

*Excludes mileage of combination motor passenger cars:

1953 — 956,945
1952 — 980,766

STATISTICS OF OPERATIONS—Continued

ITEMS	1953	1952
AVERAGES PER MILE OF ROAD		
Freight-train miles	1,634	1,627
Passenger-train miles	2,447	2,325
Transportation service train-miles	3,032	2,953
Transportation service locomotive-miles	3,823	3,744
Freight service car-miles	103,713	104,370
Passenger service car-miles	21,588	21,038
Freight revenue	$26,108.70	$25,396.88
Passenger service train revenue	$ 7,541.82	$ 7,537.47
Operating revenues	$31,399.69	$30,638.16
Operating expenses	$22,908.50	$21,921.85
Net operating revenue	$ 8,491.19	$ 8,716.31
Net railway operating income	$ 3,369.85	$ 3,597.51
Ton-miles—revenue freight	1,897,535	1,937,577
Ton-miles—all freight	2,016,413	2,067,817
Passenger-miles—revenue	101,732	100,092
AVERAGES PER TRAIN-MILE		
Loaded freight car-miles	41.41	41.45
Empty freight car-miles	21.08	21.71
Ton-miles—revenue freight	1,165.53	1,195.33
Ton-miles—all freight	1,238.54	1,275.68
Passenger train car-miles	8.82	9.05
Revenue passenger-miles	72.48	75.13
Freight revenue	$ 15.98	$ 15.61
Passenger service train revenue	$ 3.08	$ 3.24
Operating revenues	$ 10.36	$ 10.37
Operating expenses	$ 7.56	$ 7.42
Net operating revenue	$ 2.80	$ 2.95
AVERAGES PER LOADED FREIGHT CAR MILE		
Ton-miles—revenue freight	28.15	28.84
Ton-miles—all freight	29.84	30.77
Freight revenue	$ .38577	$ .37650
AVERAGES PER CAR-MILE, PASSENGER		
Passenger-miles—revenue	17.01	17.76
Passenger revenue	$ .38367	$ .40574
MISCELLANEOUS AVERAGES		
Miles hauled—revenue freight	334.92	340.14
Miles hauled—non-revenue freight	252.55	256.26
Miles hauled—all freight	328.60	333.27
Miles carried—revenue passengers	80.87	82.11
Revenue per ton of freight	$ 4.59050	$ 4.44112
Revenue per ton-mile of freight	$ .01371	$ .01306
Revenue per passenger	$ 1.82443	$ 1.87553
Revenue per passenger-mile	$ .02256	$ .02284
Operating ratio	72.96	71.55

FUNDED DEBT

December 31, 1953

	Owned by Company		Outstanding
	Unpledged	Pledged	
GENERAL MORTGAGE			
4% Bonds Due 3-1-1958	$ 7,282,000	(a)$146,542,000	$ 24,590,000
FIRST AND REFUNDING MORTGAGE			
Series B 4½% Bonds Due 2-1-1977	12,392,100		
Series of 1970 4½% Bonds Due 8-1-1970	10,140,000		
Series of 1970 2⅞% Bonds Due 8-1-1970	4,000		(b) 47,735,000
Series of 1985 3⅛% Bonds Due 8-1-1985	1,719,000		(c) 51,988,000
Series of 1990 3% Bonds Due 2-1-1990	3,000		(d) 23,984,000
Total Bonds	$31,540,100	$146,542,000	$148,297,000
EQUIPMENT TRUST CERTIFICATES			
Average interest 2.47%			28,039,000
CONDITIONAL SALE CONTRACTS			
Average interest 2.61%			39,659,447
Total Funded Debt	$31,540,100	$146,542,000	$215,995,447

(a) Pledged under First and Refunding Mortgage.

(b) Annual sinking fund $248,825.

(c) Annual sinking fund $325,000 together with an amount equal to 10% of dividends paid by the Company on its capital stock in the preceding calendar year.

(d) Annual sinking fund $250,000.

CHANGES IN CAPITAL LIABILITIES IN 1953

	Increase	Decrease
Bonds redeemed:		
First and Refunding 2⅞% Series of 1970		$ 53,000
First and Refunding 3⅛% Series of 1985		1,651,000
First and Refunding 3% Series of 1990		244,000
Principal of Equipment Obligations retired:		
Equipment Trust of 1944		152,000
Equipment Trust of 1948		482,000
Equipment Trust of 1949—No. 1		214,000
Equipment Trust of 1949—No. 2		206,000
Equipment Trust of 1950		680,000
Equipment Trust of 1953—No. 1		235,000
Equipment Conditional Sale Contracts		7,573,542
Securities issued:		
Equipment Trust of 1953—No. 1	$ 7,050,000	
Equipment Trust of 1953—No. 2	5,400,000	
Equipment Conditional Sale Contracts	17,228,880	
	$29,678,880	$11,490,542
Net Increase	$18,188,338	

DESCRIPTION OF MORTGAGES

General Mortgage

The General Mortgage is a first lien on 7,660.04 miles of main and branch line railroad now owned by the Company, including terminals and appurtenant property, situated in the States of Illinois, Wisconsin, Minnesota, Iowa, Missouri, Nebraska, Kansas, Colorado, South Dakota, Wyoming, and Montana; is a first lien on all locomotives, cars, and other rolling stock and equipment owned by the Company and not subject to any equipment trust, conditional sale agreement, or other lien securing the purchase price thereof; and also is a first lien on 305,262 shares of the capital stock of The Colorado and Southern Railway Company, which are pledged under this Mortgage.

The General Mortgage contains no provision for redemption of the Bonds or for sinking fund. No additional Bonds may be issued under the Mortgage, but there is no limitation on the right to extend, by agreement with the holders, the maturity of outstanding General Mortgage Bonds.

First and Refunding Mortgage

The First and Refunding Mortgage is secured by the pledge of $146,542,000 principal amount, or 82.1 per cent of the General Mortgage Bonds issued, so that $1,185 principal amount of General Mortgage Bonds were pledged under the First and Refunding Mortgage with respect to each $1,000 principal amount of First and Refunding Mortgage Bonds outstanding in the hands of the public December 31, 1953. The First and Refunding Mortgage is a second lien on all railroad, equipment, and capital stock, on which the General Mortgage is a first lien as above stated, and the First and Refunding Mortgage is a first lien on 478.30 miles of railroad owned by the Company in the States of Wyoming, Montana, Illinois, Wisconsin, and Nebraska, and on certain capital stock of bridge, depot, terminal, and other companies.

Additional First and Refunding Mortgage Bonds may be issued, subject to the provisions and limitations of the Mortgage and the Supplemental Indentures thereto.

Provisions for the redemption of each series of First and Refunding Mortgage Bonds, and the sinking funds for certain series, are summarized as follows:

Series of 1970 2⅞% Bonds may be redeemed as a whole, or in part, on any interest date at 103⅞ August 1, 1953 to July 31, 1957; thereafter premium reduces periodically to August 1, 1969, after which date callable at par; in each instance with accrued interest.

An annual sinking fund of $248,825 for redemption of Series of 1970 2⅞% Bonds is payable to Trustee on or before May 1 each year, beginning May 1, 1946. For such redemption, prices are 101⅞ August 1, 1953 to July 31, 1957, reduced periodically to August 1, 1969, and thereafter at par; in each instance with accrued interest.

Series of 1985 3⅛% Bonds may be redeemed as a whole, or in part, on any interest date at 104½ August 1, 1953 to July 31, 1957; thereafter premium reduces periodically to August 1, 1982, after which date callable at par; in each instance with accrued interest.

An annual sinking fund of $325,000, together with an amount equal to 10% of dividends paid by the Company on its capital stock in the preceding calendar year, is payable to the Trustee on or before May 1 in each year beginning May 1, 1946, for redemption of the Series of 1985 Bonds. Redemption prices are 102 August 1, 1953 to July 31, 1957, reduced periodically to August 1, 1982, and thereafter at par; in each instance with accrued interest.

Series of 1990 3% Bonds may be redeemed as a whole, or in part, on any interest date at 103⅝ February 1, 1954 to January 31, 1958; thereafter premium reduces periodically to January 31, 1989, after which date callable at par; in each instance with accrued interest.

An annual sinking fund of $250,000 for redemption of Series of 1990 3% Bonds is payable to Trustee on or before November 1 each year, beginning November 1, 1950. For such redemption, prices are 100⅞ February 1, 1954 to January 31, 1958, reduced periodically to January 31, 1989, and thereafter at par; in each instance with accrued interest.

MILEAGE

	Miles of Road	Second Track	Third Track	Fourth Track	Yard Tracks and Sidings*	Total
Owned						
Colorado	392.77	.52			183.96	577.25
Illinois	1,589.89	387.10	40.94	2.19	1,042.65	3,062.77
Iowa	998.49	249.36			279.42	1,527.27
Kansas	208.40				22.27	230.67
Minnesota	23.09	2.71			38.90	64.70
Missouri	1,165.62	115.90			424.54	1,706.06
Montana	134.53				47.73	182.26
Nebraska	2,674.84	29.32			786.71	3,490.87
South Dakota	183.47				35.96	219.43
Wisconsin	220.25	214.17			64.56	498.98
Wyoming	677.60				216.62	894.22
Total*	8,268.95	999.08	40.94	2.19	3,143.32	12,454.48
Operated under lease or contract	597.57	129.90	.76	.76	457.06	1,186.05
Grand Total*	8,866.52	1,128.98	41.70	2.95	3,600.38	13,640.53

*Includes yard tracks and sidings owned but not operated as follows: Illinois .71 mile, Iowa .71 mile, Nebraska .27 mile, total 1.69 miles.

OWNED EQUIPMENT IN SERVICE

Description	Number on Dec. 31, 1952	Number Added During Year	Number Retired During Year	Number on Dec. 31, 1953	Average tractive power all locomotives and average capacity all freight cars
Locomotives—Steam	473		131	342	
—Diesel Road	353	46		399	
—Diesel Switch	168			168	
—Gas-Electric	2			2	
Total Locomotives	996	46	131	911	59,026 Lbs.
Freight-train cars:					
Box	21,435	2,293	184	23,544	
Flat	1,972	1	28	1,945	
Stock	3,538		24	3,514	
Gondola and Hopper	14,430	750	1,167	14,013	
Caboose	562		46	516	
All classes of freight-train cars	41,937	3,044	1,449	43,532	49.80 Tons
Passenger-train cars:					
Coaches	239	15	4	250	
Combination coach	48	1	5	44	
Parlor	2			2	
Sleeping	18		3	15	
Dining	31	1	2	30	
Club, lounge and observation	19	2		21	
Postal	23			23	
Baggage, express and other nonpassenger	566	37	63	540	
Total	946	56	77	925	
Passenger rail motor cars:					
Combination coach	8		1	7	
Other passenger-train rail motor	13			13	
Total	21		1	20	
Articulated Zephyr trains	7			7	
Cars in articulated trains‡					
Coaches	11			11	
Combination coach	14			14	
Parlor and sleeping	4			4	
Other passenger-train	11			11	
Total	40			40	
All classes of passenger-train cars	1,007	56	78	985	
Company service cars:					
Officers' and business	17	1	1	17	
Ballast	1,373		40	1,333	
Derrick	3			3	
Wrecking	19			19	
Other company service	3,483	117	120	3,480	
All classes of company service cars	4,895	118	161	4,852	
All classes of cars in service	47,839	3,218	1,688	49,369	

OWNED EQUIPMENT LEASED

Description	Number Under Lease on Dec. 31, 1952	Number Leased During Year	Number Withdrawn from Lease During Year	Number Under Lease on Dec. 31, 1953
Diesel-electric locomotive†	1			1
Freight-refrigerator cars*	2,114	130	55	2,189
Freight-flat cars†	15	11		26
Passenger-refrigerator cars*	29		5	24
Zephyr train cars†	5			5
Sleeping cars#	86	6		92

‡8 cars not articulated

*Leased to Burlington Refrigerator Express Co.

#Leased to Pullman Co. (8 cars are articulated)

†Leased to Fort Worth and Denver Ry. Co.

COMPARATIVE STATEMENT OF INCOME ACCOUNT FOR YEARS ENDED DECEMBER 31

	1953	1952	Increase	Decrease
RAILWAY OPERATING REVENUES—				
TRANSPORTATION:				
Freight	$230,610,549.76	$223,230,964.22	$ 7,379,585.54	
Passenger	20,349,506.64	20,173,457.34	176,049.30	
Baggage	46,987.26	50,762.57		$ 3,775.31
Parlor and chair car	162,798.85	160,865.41	1,933.44	
Mail	11,056,673.44	10,883,345.17	173,328.27	
Express	3,884,955.11	3,985,781.79		100,826.68
Other passenger-train	187,688.17	199,127.44		11,439.27
Milk	270,645.86	275,014.37		4,368.51
Switching	4,071,318.53	4,057,289.38	14,029.15	
Total	$270,641,123.62	$263,016,607.69	$ 7,624,515.93	
INCIDENTAL:				
Dining and buffet	$ 2,396,244.34	$ 2,381,621.71	$ 14,622.63	
Station and train privileges	58,451.03	53,964.83	4,486.20	
Parcel room	778.05	1,108.60		$ 330.55
Storage—Freight	76,132.11	32,786.95	43,345.16	
Storage—Baggage	4,587.30	5,105.06		517.76
Demurrage	505,458.31	599,948.99		94,490.68
Communication	122,510.15	115,319.83	7,190.32	
Power	7,378.23	8,422.86		1,044.63
Rents of buildings and other property	338,085.76	304,194.64	33,891.12	
Miscellaneous	3,311,085.34	2,786,421.71	524,663.63	
Total	$ 6,820,710.62	$ 6,288,895.18	$ 531,815.44	
Joint facility—Cr.	$ 973,735.21	$ 1,053,953.58		$ 80,218.37
Joint facility—Dr.	Dr. 21,757.50	Dr. 11,676.91		10,080.59
Total	$ 951,977.71	$ 1,042,276.67		$ 90,298.96
Total railway operating revenues	$278,413,811.95	$270,347,779.54	$ 8,066,032.41	

	1953	1952	Increase	Decrease
RAILWAY OPERATING EXPENSES—				
Maintenance of way and structures	$ 43,774,900.63	$ 36,457,366.08	$7,317,534.55	
Maintenance of equipment	31,433,460.59	32,469,629.17		$1,036,168.58
Traffic	6,092,985.27	5,662,758.86	430,226.41	
Transportation	97,998,903.11	95,078,458.09	2,920,445.02	
Miscellaneous operations	3,380,783.15	3,449,509.97		68,726.82
General	6,561,845.32	6,297,126.90	264,718.42	
Railway operating expenses—excluding depreciation and retirements	$189,242,878.07	$179,414,849.07	$9,828,029.00	
Depreciation and Retirements—				
Road Property	5,296,901.12	5,650,946.26		$ 354,045.14
Equipment	8,584,588.37	8,370,164.31	214,424.06	
Total railway operating expenses	$203,124,367.56	$193,435,959.64	$9,688,407.92	
Operating Ratio (For Operating Ratios by general accounts see Page 25)	72.96	71.55	1.41	
Net revenue from railway operations	$ 75,289,444.39	$ 76,911,819.90		$1,622,375.51
Railway tax accruals	$ 39,557,462.12	$ 39,690,137.06		$ 132,674.94
Railway operating income	$ 35,731,982.27	$ 37,221,682.84		$1,489,700.57
RENT INCOME				
Rent from equipment	$ 2,290,577.65	$ 1,331,492.22	$ 959,085.43	
Joint facility rent income	743,822.72	663,013.67	80,809.05	
Total rent income	$ 3,034,400.37	$ 1,994,505.89	$1,039,894.48	
RENTS PAYABLE				
Rent for equipment	$ 6,053,267.26	$ 4,565,620.56	$1,487,646.70	
Joint facility rents	2,833,453.58	2,906,573.00		73,119.42
Total rents payable	$ 8,886,720.84	$ 7,472,193.56	$1,414,527.28	
Net rents	Dr. $5,852,320.47	Dr. $5,477,687.67	$ 374,632.80	
Net railway operating income	$ 29,879,661.80	$ 31,743,995.17		$1,864,333.37

COMPARATIVE STATEMENT OF INCOME ACCOUNT FOR YEARS ENDED DECEMBER 31—Continued

	1953	1952	Increase	Decrease
OTHER INCOME				
Income from lease of road and equipment	$ 7,124.57	$ 7,425.89		$ 301.32
Miscellaneous rent income	534,589.06	540,305.27		5,716.21
Income from nonoperating property	249,733.80	234,884.16	$ 14,849.64	
Separately operated properties—profit	10,694.47	8,655.03	2,039.44	
Dividend income	970,990.80	396,100.80	574,890.00	
Interest income	629,375.33	1,075,853.07		446,477.74
Release of premiums on funded debt	21.24	21.32		.08
Miscellaneous income	76,568.88	24,325.29	52,243.59	
Total other income	$ 2,479,098.15	$ 2,287,570.83	$ 191,527.32	
Total income	$ 32,358,759.95	$ 34,031,566.00		$ 1,672,806.05
MISCELLANEOUS DEDUCTIONS FROM INCOME				
Miscellaneous rents	$ 25,224.43	$ 27,522.79		$ 2,298.36
Miscellaneous tax accruals	99,410.70	99,049.75	$ 360.95	
Miscellaneous income charges	286,336.49	130,241.05	156,095.44	
Total miscellaneous deductions	$ 410,971.62	$ 256,813.59	$ 154,158.03	
Income available for fixed charges	$ 31,947,788.33	$ 33,774,752.41		$ 1,826,964.08
FIXED CHARGES				
Rent for leased roads and equipment	$ 52,905.82	$ 50,858.18	$ 2,047.64	
Interest on funded debt	6,186,809.38	5,679,181.34	507,628.04	
Interest on unfunded debt	4,530.02	2,880.90	1,649.12	
Amortization of discount on funded debt	42,036.48	41,239.77	796.71	
Total fixed charges	$ 6,286,281.70	$ 5,774,160.19	$ 512,121.51	
Net income after fixed charges	$ 25,661,506.63	$ 28,000,592.22		$ 2,339,085.59
Dividend appropriations of income	$ 12,812,902.50	$ 12,812,902.50		
Balance of income transferred to Earned Surplus	$ 12,848,604.13	$ 15,187,689.72		$ 2,339,085.59

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY

OPERATING REVENUES

Year ended December 31	Average operated mileage	Freight Revenue	Passenger Revenue	Mail, express and miscellaneous revenue
1921	9,393.07	$122,716,630	$ 31,396,048	$ 14,599,590
1922	9,393.69	121,388,901	28,380,104	15,147,466
1923	9,401.41	126,433,098	28,569,831	16,267,732
1924	9,407.23	119,773,873	26,522,642	16,378,363
1925	9,398.62	118,670,808	25,116,398	15,367,972
1926	9,403.79	121,410,650	24,288,307	15,618,485
1927	9,390.00	118,497,414	22,058,572	15,764,468
1928	9,375.44	126,952,879	19,715,276	16,223,254
1929	9,373.21	126,777,844	18,817,973	16,814,108
1930	9,332.76	111,157,128	15,360,186	14,862,108
1931	9,312.69	88,237,564	11,205,062	11,776,334
1932	9,261.96	63,182,739	7,311,279	9,049,611
1933	9,237.41	63,319,234	6,722,104	8,455,637
1934	9,143.98	64,815,018	6,749,238	8,723,903
1935	9,035.66	66,817,189	6,978,101	9,129,919
1936	9,004.40	79,716,638	8,217,025	10,148,748
1937	8,975.40	79,966,473	9,717,844	10,466,895
1938	8,964.66	74,134,765	9,141,388	9,793,983
1939	8,973.06	76,853,603	9,167,835	10,110,356
1940	8,973.21	78,198,344	8,964,197	10,468,701
1941	9,036.00	94,874,259	10,697,250	11,949,846
1942	9,077.68	131,770,823	19,100,283	14,418,219
1943	9,029.56	166,123,159	32,923,900	18,905,424
1944	8,989.35	180,453,652	40,141,385	20,042,363
1945	8,965.22	183,286,915	38,193,572	21,062,311
1946	8,865.75	148,897,285	27,896,559	19,131,821
1947	8,864.97	181,409,104	19,029,068	20,740,839
1948	8,813.82	199,341,245	20,198,852	21,823,554
1949	8,766.61	179,802,953	17,818,681	20,374,874
1950	8,842.51	199,932,606	17,679,514	27,635,441
1951	8,824.01	220,253,697	19,192,719	27,147,252
1952	8,823.89	223,230,964	20,173,457	26,943,359
1953	8,866.77	230,610,550	20,349,507	27,453,755

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY

REVENUES, EXPENSES, AND TAXES

Year Ended Dec. 31	Total Operating Revenues	Total Operating Expenses	Taxes	Average Per Mile of Road Operated		
				Operating Revenues	Operating Expenses	Taxes
1921	$168,712,268	$128,216,290	$ 9,718,568	$17,961	$13,650	$1,035
1922	164,916,471	126,777,703	10,890,007	17,556	13,496	1,159
1923	171,270,661	134,290,379	9,268,055	18,218	14,284	986
1924	162,674,878	119,958,734	10,642,576	17,293	12,752	1,131
1925	159,155,178	116,671,868	10,975,481	16,934	12,414	1,168
1926	161,317,442	116,462,808	11,480,061	17,155	12,385	1,221
1927	156,320,454	111,917,503	11,676,578	16,648	11,919	1,244
1928	162,891,409	114,191,159	11,192,210	17,374	12,180	1,194
1929	162,409,925	111,565,542	12,025,394	17,327	11,903	1,283
1930	141,379,422	98,877,813	11,191,877	15,149	10,595	1,199
1931	111,218,960	77,465,969	9,955,502	11,943	8,318	1,069
1932	79,543,629	58,517,604	8,148,156	8,588	6,318	880
1933	78,496,975	54,361,599	6,918,697	8,498	5,885	749
1934	80,288,159	58,007,983	5,783,597	8,780	6,344	633
1935	82,925,209	62,544,384	5,983,920	9,178	6,922	662
1936	98,082,411	71,243,003	8,411,126	10,893	7,912	934
1937	100,151,212	74,278,004	7,731,466	11,158	8,276	861
1938	93,070,136	67,087,220	9,061,509	10,382	7,484	1,011
1939	96,131,794	70,885,896	8,616,802	10,713	7,900	960
1940	97,631,242	71,853,873	8,697,632	10,880	8,008	969
1941	117,521,355	83,047,925	11,900,410	13,006	9,191	1,317
1942	165,289,325	99,415,696	26,192,996	18,208	10,952	2,885
1943	217,952,483	123,559,336	55,573,644	24,138	13,684	6,155
1944	240,637,400	145,854,303	57,190,637	26,769	16,225	6,362
1945	242,542,798	174,150,921	30,248,889	27,054	19,425	3,374
1946	195,925,665	139,250,672	25,693,903	22,099	15,707	2,898
1947	221,179,011	149,996,344	34,407,950	24,950	16,920	3,881
1948	241,363,651	167,888,010	35,912,048	27,385	19,048	4,075
1949	217,996,508	167,265,649	26,192,248	24,867	19,080	2,988
1950	245,247,561	161,964,673	39,773,302	27,735	18,317	4,498
1951	266,593,668	189,234,239	41,233,781	30,212	21,445	4,673
1952	270,347,780	193,435,960	39,690,137	30,638	21,922	4,498
1953	278,413,812	203,124,368	39,557,462	31,400	22,909	4,461

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY

SUMMARY OF FINANCIAL RESULTS

Year ended December 31	Total revenues, including income from other sources	Expenses, taxes, rentals, and other charges	Interest on Funded Debt	Net Income	Earnings per Share of Stock
1921	$171,852,639	$139,435,531	$6,807,134	$25,609,974	$16.43
1922	168,386,706	140,005,948	8,119,271	20,261,487	11.86
1923	173,735,425	146,188,407	8,256,488	19,290,530	11.29
1924	164,788,967	134,247,699	8,641,439	21,899,829	12.82
1925	161,234,121	131,356,234	8,693,294	21,184,593	12.40
1926	164,314,046	131,699,096	8,626,981	23,987,969	14.04
1927	159,202,361	128,632,779	9,126,458	21,443,124	12.55
1928	165,929,135	130,473,328	9,177,555	26,278,252	15.38
1929	166,122,417	127,461,244	9,084,635	29,576,538	17.31
1930	144,904,521	113,840,027	9,084,635	21,979,859	12.87
1931	113,518,034	91,113,664	9,084,635	13,319,735	7.80
1932	80,906,548	70,319,097	9,084,635	1,502,816	.88
1933	80,058,804	65,376,145	9,084,635	5,598,024	3.28
1934	81,542,327	68,002,932	9,084,635	4,454,760	2.61
1935	84,006,102	73,078,623	9,084,635	1,842,844	1.08
1936	99,376,761	85,081,198	9,138,399	5,157,164	3.02
1937	101,506,074	87,279,925	9,318,895	4,907,254	2.87
1938	94,165,952	81,111,532	9,412,657	3,641,763	2.13
1939	97,266,759	84,228,649	9,376,771	3,661,339	2.14
1940	98,701,774	84,895,212	9,413,698	4,392,864	2.57
1941	118,744,477	98,760,692	9,564,643	10,419,142	6.10
1942	166,665,657	128,483,699	9,535,038	28,646,920	16.77
1943	219,490,878	182,551,064	8,708,550	28,231,264	16.53
1944	242,151,510	209,035,730	8,468,658	24,647,122	14.43
1945	244,142,926	209,309,218	7,428,309	27,405,399	16.04
1946	198,259,728	169,368,261	5,788,692	23,102,775	13.52
1947	223,062,115	189,666,103	5,654,141	27,741,871	16.24
1948	242,652,523	208,881,475	5,689,348	28,081,700	16.44
1949	219,734,305	198,626,445	5,688,368	15,419,492	9.03
1950	247,617,300	207,712,870	6,142,775	33,761,655	19.76
1951	268,204,066	237,039,202	5,915,576	25,249,288	14.78
1952	272,635,351	238,955,578	5,679,181	28,000,592	16.39
1953	280,892,910	249,044,595	6,186,809	25,661,506	15.02

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY

MAINTENANCE AND TRANSPORTATION EXPENSES

Year ended Dec. 31	Avge. oper. mileage	Maintenance of Way and Structures	Maintenance of Equipment	Transportation	Average per Mile of Road Operated		
					M. of W. & S.	M. of E.	Transp.
1921	9,393.07	$22,917,767	$34,290,506	$63,564,017	$2,440	$3,651	$6,767
1922	9,393.69	20,769,379	35,735,414	62,875,593	2,211	3,804	6,693
1923	9,401.41	21,984,557	40,654,336	63,395,808	2,338	4,324	6,743
1924	9,407.23	19,413,917	34,786,170	57,810,258	2,064	3,698	6,145
1925	9,398.62	19,737,011	33,669,420	55,021,563	2,100	3,582	5,854
1926	9,403.79	23,965,178	30,131,658	54,315,494	2,548	3,204	5,776
1927	9,390.00	23,668,878	26,486,675	53,503,272	2,521	2,821	5,698
1928	9,375.44	25,515,422	27,197,586	52,922,445	2,722	2,901	5,645
1929	9,373.21	24,414,605	26,080,966	52,083,144	2,605	2,783	5,557
1930	9,332.76	20,311,640	22,553,488	46,922,911	2,176	2,417	5,028
1931	9,312.69	13,721,164	17,785,942	38,030,549	1,473	1,910	4,084
1932	9,261.96	9,576,465	13,341,550	28,952,905	1,034	1,440	3,126
1933	9,237.41	8,561,684	12,140,500	27,374,245	927	1,314	2,963
1934	9,143.98	9,860,327	12,431,389	28,564,565	1,078	1,360	3,124
1935	9,035.66	10,824,581	14,950,520	30,844,332	1,198	1,655	3,414
1936	9,004.40	12,797,545	16,820,495	34,549,546	1,421	1,868	3,837
1937	8,975.40	14,033,990	17,275,279	36,183,417	1,564	1,925	4,031
1938	8,964.66	11,654,202	15,409,733	33,620,007	1,300	1,719	3,750
1939	8,973.06	12,844,765	17,381,993	34,256,996	1,431	1,937	3,818
1940	8,973.21	13,353,279	16,783,688	35,277,423	1,488	1,870	3,931
1941	9,036.00	16,959,394	19,816,531	39,526,885	1,877	2,193	4,374
1942	9,077.68	21,025,235	24,106,233	46,267,051	2,316	2,656	5,097
1943	9,029.56	29,835,736	28,195,666	55,805,743	3,304	3,123	6,180
1944	8,989.35	40,175,260	33,790,768	61,653,940	4,469	3,759	6,859
1945	8,965.22	47,843,082	51,952,634	63,650,499	5,337	5,795	7,100
1946	8,865.75	31,412,419	27,660,941	68,613,877	3,543	3,120	7,739
1947	8,864.97	32,484,480	29,682,429	75,766,163	3,664	3,348	8,547
1948	8,813.82	37,260,444	34,365,642	83,366,308	4,228	3,899	9,459
1949	8,766.61	36,261,258	38,419,338	78,842,227	4,136	4,382	8,993
1950	8,842.51	33,786,916	34,037,570	80,955,660	3,821	3,849	9,155
1951	8,824.01	41,782,837	39,300,552	93,513,741	4,735	4,454	10,597
1952	8,823.89	42,108,312	40,839,794	95,078,458	4,772	4,628	10,775
1953	8,866.77	49,071,802	40,018,049	97,998,903	5,534	4,513	11,052

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY

OPERATING EXPENSE RATIOS

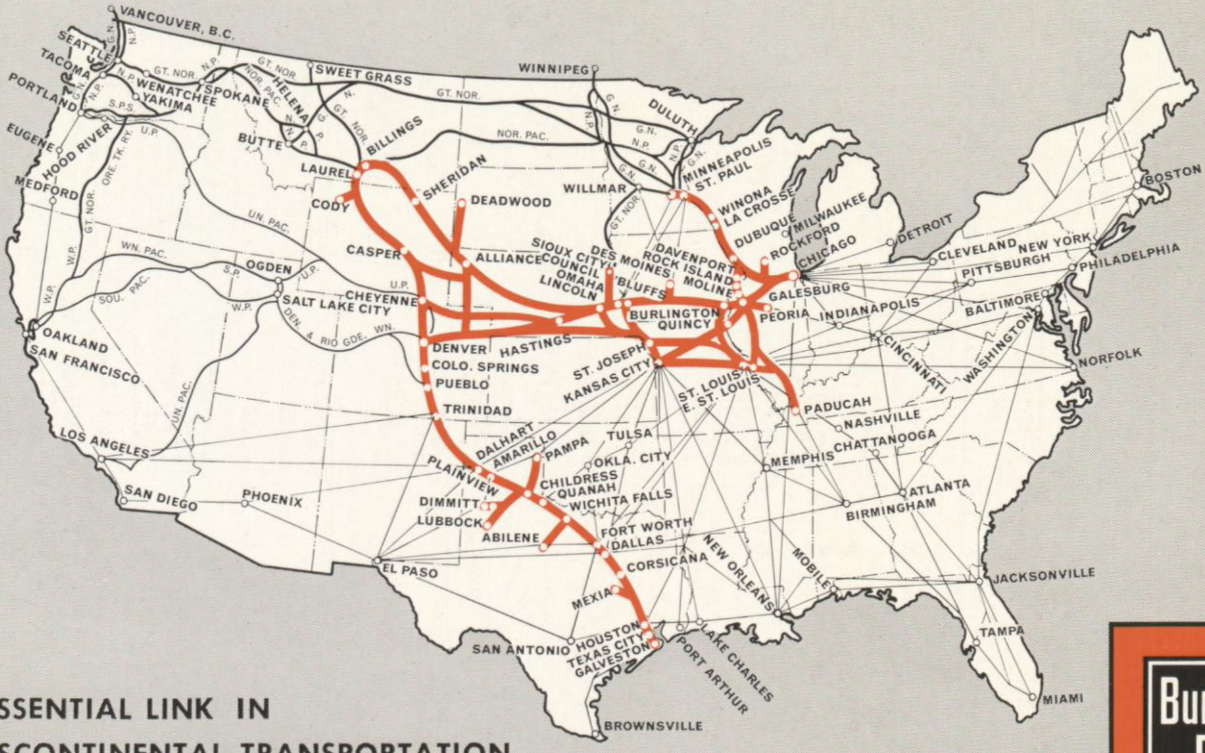
Year ended December 31	Maintenance of Way and Structures	Maintenance of Equipment	Transportation	Total Operating Expenses
1921	13.58	30.32	37.68	76.00
1922	12.59	21.67	38.13	76.87
1923	12.84	23.74	37.01	78.41
1924	11.93	21.38	35.54	73.74
1925	12.40	21.16	34.57	73.31
1926	14.85	18.68	33.67	72.19
1927	15.14	16.94	34.23	71.60
1928	15.66	16.70	32.48	70.10
1929	15.03	16.06	32.07	68.69
1930	14.37	15.95	33.19	69.94
1931	12.34	15.99	34.19	69.65
1932	12.04	16.77	36.40	73.57
1933	10.91	15.46	34.87	69.25
1934	12.28	15.48	35.58	72.25
1935	13.05	18.03	37.20	75.42
1936	13.05	17.15	35.22	72.64
1937	14.01	17.25	36.13	74.17
1938	12.52	16.56	36.12	72.08
1939	13.36	18.08	35.64	73.74
1940	13.68	17.19	36.13	73.60
1941	14.44	16.86	33.64	70.67
1942	12.72	14.59	27.99	60.15
1943	13.69	12.94	25.60	56.69
1944	16.70	14.04	25.62	60.61
1945	17.88	14.86	26.24	63.39
1946	16.03	14.10	35.02	71.07
1947	14.69	13.42	34.26	67.82
1948	15.44	14.24	34.54	69.56
1949	16.63	17.62	36.17	76.73
1950	13.78	13.88	33.01	66.04
1951	15.67	14.74	35.08	70.98
1952	15.57	15.11	35.17	71.55
1953	17.63	14.37	35.20	72.96

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY

FREIGHT AND PASSENGER TRAFFIC

Year ended December 31	Carloads Revenue Freight (Excl. L.C.L.)	Revenue Ton Miles (000)	Revenue Per Ton Mile (Cents)	Revenue Passenger Miles (000)	Revenue Per Pass. Mile (Cents)
1921	1,138,140	10,554,788	1.163	999,701	3.141
1922	1,267,228	11,754,596	1.033	941,748	3.014
1923	1,422,035	12,690,384	.996	967,097	2.954
1924	1,392,061	12,287,748	.975	909,302	2.917
1925	1,394,884	12,298,288	.965	893,670	2.810
1926	1,427,076	12,651,222	.960	871,773	2.786
1927	1,380,681	11,918,019	.992	811,600	2.718
1928	1,477,074	12,931,723	.982	730,970	2.697
1929	1,468,784	12,873,521	.985	719,017	2.617
1930	1,285,504	11,356,359	.979	606,612	2.532
1931	1,015,772	8,888,694	.993	472,742	2.370
1932	761,188	6,297,639	1.003	347,834	2.102
1933	790,498	6,598,639	.960	387,065	1.737
1934	858,977	7,137,168	.908	425,949	1.585
1935	844,557	7,522,420	.888	424,789	1.643
1936	1,015,083	9,062,367	.880	499,516	1.645
1937	1,034,615	9,423,153	.849	587,409	1.654
1938	894,051	7,876,092	.941	530,835	1.722
1939	939,635	8,417,254	.913	544,510	1.684
1940	996,830	8,972,423	.872	539,670	1.661
1941	1,181,449	11,339,218	.837	640,033	1.671
1942	1,385,416	15,290,591	.862	1,080,880	1.767
1943	1,509,738	18,960,387	.876	1,822,197	1.807
1944	1,569,328	19,751,865	.914	2,220,707	1.808
1945	1,552,950	18,820,920	.974	2,116,701	1.804
1946	1,451,973	16,657,849	.894	1,529,489	1.824
1947	1,552,552	19,274,376	.941	955,746	1.991
1948	1,488,445	18,357,884	1.086	870,790	2.320
1949	1,314,873	15,250,054	1.179	757,891	2.351
1950	1,397,186	16,755,823	1.193	748,699	2.361
1951	1,491,768	18,625,332	1.183	826,128	2.323
1952	1,422,481	17,096,963	1.306	883,205	2.284
1953	1,452,471	16,825,004	1.371	902,036	2.256

BURLINGTON LINES


VANCOUVER, B.C.
SEATTLE
TACOMA
PORTLAND
EUGENE
HOOD RIVER
MEDFORD
OAKLAND
SAN FRANCISCO
LOS ANGELES
SAN DIEGO
PHOENIX
EL PASO
WENATCHEE
YAKIMA
SPOKANE
HELENA
SWEET GRASS
BUTTE
BILLINGS
LAUREL
CODY
SHERIDAN
DEADWOOD
CASPER
ALLIANCE
OGDEN
SALT LAKE CITY
CHEYENNE
DENVER
COLO. SPRINGS
PUEBLO
TRINIDAD
HASTINGS
WINNIPEG
DULUTH
WILLMAR
MINNEAPOLIS
ST. PAUL
WINONA
LA CROSSE
DUBUQUE
MILWAUKEE
ROCKFORD
CHICAGO
SIOUX CITY
COUNCIL BLUFFS
OMAHA
LINCOLN
DES MOINES
DAVENPORT
ROCK ISLAND
MOLINE
GALESBURG
BURLINGTON
QUINCY
PEORIA
ST. JOSEPH
KANSAS CITY
ST. LOUIS
E. ST. LOUIS
PADUCAH
DALHART
AMARILLO
PAMPA
TULSA
OKLA. CITY
PLAINVIEW
CHILDRESS
QUANAH
WICHITA FALLS
DIMMITT
LUBBOCK
ABILENE
FORT WORTH
DALLAS
CORSICANA
MEXIA
HOUSTON
TEXAS CITY
GALVESTON
SAN ANTONIO
BROWNSVILLE
PORT ARTHUR
LAKE CHARLES
NEW ORLEANS
MOBILE
MEMPHIS
NASHVILLE
CHATTANOOGA
ATLANTA
BIRMINGHAM
JACKSONVILLE
TAMPA
MIAMI
INDIANAPOLIS
CINCINNATI
DETROIT
CLEVELAND
PITTSBURGH
BALTIMORE
WASHINGTON
NORFOLK
NEW YORK
PHILADELPHIA
BOSTON
GT. NOR.
NOR. PAC.
N.P.
G.N.
S.P.S.
U.P.
ORE. TK. RY.
UN. PAC.
WN. PAC.
W.P.
S.P.
SOU. PAC.
DEN. & RIO GDE. WN.

AN ESSENTIAL LINK IN
TRANSCONTINENTAL TRANSPORTATION

Burlington
Route

1953

Burlington
Route